

Regular Session, 2012

SENATE BILL NO. 350

BY SENATOR MURRAY

TAX/LOCAL. Authorizes the levy and collection of a local tax of 3% on the gross proceeds derived from the lease or rental of an automobile pursuant to an automobile rental contract in any parish in which collection of the tax is approved by the registered voters of the parish. (7/1/12)

AN ACT

To amend and reenact R.S. 47:551(A) and (D)(3)(b), relative to local taxes; to authorize the levy and collection of a local tax on the gross proceeds derived from the lease or rental of an automobile pursuant to an automobile rental contract if approved by the registered voters of the parish; to provide for certain distribution of proceeds; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:551(A) and (D)(3)(b) are hereby amended and reenacted to read as follows:

§551. Imposition of tax

A.(1) Beginning July 1, 2012, there is hereby levied, subject to the provisions of Paragraph (2) of this Subsection, ~~for the period from August 1, 1990 through June 30, 2012, a state tax of two and one-half percent and a local tax of one-half of one~~ three percent of the gross proceeds derived from the lease or rental of an automobile pursuant to an automobile rental contract, less any sales and use tax included in such contract. The tax shall be in addition to any tax, fee, or license imposed directly or indirectly. The tax shall not apply to any automobile rented by

1 an insurance company as a replacement vehicle for a policyholder or by an
2 automobile dealer as a replacement vehicle while a customer's vehicle is being
3 serviced or repaired, nor shall the tax apply to any individual or business who rents
4 a vehicle as a replacement vehicle while his vehicle is being repaired if the
5 individual presents to the renter upon return of the rented vehicle a copy of the repair
6 or service invoice.

7 (2) The tax shall be collected in a parish only after the question of its
8 collection has been approved by a majority of the registered voters of the parish
9 who vote on the proposition authorizing the tax at an election held for that
10 purpose in accordance with the Louisiana Election Code. The election on the
11 question of the collection of the tax in the parish shall be held at the same time
12 as a regularly scheduled election in the parish.

13 * * *

14 D. * * *

15 (3) The local tax as provided in Subsection A of this Section which is
16 collected in Jefferson Parish shall be distributed as follows:

17 * * *

18 (b) Two-thirds of the tax shall be distributed as follows: ~~to the Jefferson~~
19 ~~Performing Arts Society for programs on the east and west bank and~~ one-third of that
20 amount shall be distributed to the Westwego Performing Arts Center, one-sixth of
21 that amount shall be distributed to the Gretna Cultural Center for the Arts, and
22 the remainder of that amount shall be distributed to the Jefferson Performing
23 Arts Society for programs on the east and west bank.

24 * * *

25 Section 2. The provisions of this Act shall not apply in Jefferson Parish or in Orleans
26 Parish if a local law authorizing the levy of a three percent tax on the gross proceeds derived
27 from the lease or rental of an automobile pursuant to an automobile rental contract in such
28 parish is enacted and becomes law in the 2012 Regular Session of the Legislature.

29 Section 3. This Act shall become effective on July 1, 2012; if vetoed by the governor

- 1 and subsequently approved by the legislature, this Act shall become effective on July 1,
2 2012, or on the day following such approval by the legislature, whichever is later.

The original instrument was prepared by Riley Boudreaux. The following digest, which does not constitute a part of the legislative instrument, was prepared by Alan Miller.

DIGEST

Murray (SB 350)

Present law levies for the period from August 1, 1990 through June 30, 2012, a state tax of 2.5% and a local tax of 0.5% of the gross proceeds derived from the lease or rental of an automobile pursuant to an automobile rental contract.

Proposed law authorizes the levy and collection of a local tax of 3% indefinitely in any parish in which collection of the tax is approved by the registered voters of the parish in an election held at the same time as a regularly scheduled election in the parish.

Present law provides that 2/3's of tax collected in Jefferson Parish be distributed to the Jefferson Performing Arts Society and 1/3 to the Westwego Performing Arts Center.

Proposed law requires that 2/3's of the local tax collected in Jefferson Parish be distributed as follows:

1. 1/3 of the amount to the Westwego Performing Arts Center;
2. 1/6 of the amount to the Gretna Cultural Center for the Arts; and
3. The remainder of the amount to the Jefferson Performing Arts Society for programs on the east and west bank.

Proposed law will not apply in Orleans and Jefferson parishes if a local law authorizing the same is enacted and becomes law during the current session of the legislature.

Effective July 1, 2012.

(Amends R.S. 47:551(A) and (D)(3)(b))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Before the tax is collected in a parish, requires the approval of the registered voters of the parish election held at the same time as a regularly scheduled election in the parish.

Senate Floor Amendments to engrossed bill

1. Makes technical changes.
2. Changes the local tax from 0.5% to 3%.
3. Provides for the distribution of the local tax collected in Jefferson Parish.

4. Provides that taxes authorized in proposed law will not apply in Orleans and Jefferson parishes if a local law authorizing the same is enacted and becomes law during the current session of the legislature.